(d) if so, the action taken against the guilty officials ;

(e) whether same techniques are being used in other public sector fertilizer companies ; and

(f) if so, the details thereof and the remedial measures taken by the Government in this regard?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI M. ARUNACHALAM) (a) to (f) The attention of the Government has been drawn to the news item. It has been alleged in the Press Report that in a recent purchase by Rashtriya Chemicals & Fertilizers Ltd., (RCF) from Togo, prices of Rock Phosphate have been deliberately inflated by incorporating an element of distorted freight charge and that Transchart has been forced to give a waiver.

The Government has examined the matter and found that RCF had invited global tenders in February, 1997 for purchase of rock Phoshate both on FOB and C&F basis in accordance with Policy of Ocean Transportation. The C&F price quoted by Office Togolais Des Phosphate (OTP) Togo was US $ 70.25 per MT with an FOB price of US $ 47 PMT. In the techno-economic evaluation done at the C&F price of various suppliers, Togo was the lowest for production of phosphoric acid. But RCF decided to hold negotiations because FOB price of Togo was higher and the freight quoted was not workabel based on their past experience. However, the supplier did not agree for making any reduction in the FOB price and remained confident that it could make shipments at the freight quoted by them of US $ 23.25 per MT. Since Transchart was not able to match the quoted freight rate, they granted waiver for the contract to be executed on C&F basis. The supplier has fixed two vessels at the freight rate of US $ 23.16 per MT on a derived basis. *Prima facie*, the inference that the freight rate quoted by the supplier was unrealistic to force C&F purchase is not substantiated; however, Government has decided to have the matter further examined.

Other Public Sector fertilizer companies have been following procedures in accordance with the Policy of Ocean Transportation of cargo under the control of Government/ Pulic Sector Undertakings for their purchases, including that of rock phosphate.

[Translation]

Decline in Procurement of Foodrains

* 196. SHRIMATI KETAKI DEVI SINGH :
SHRI SATYA DEO SINGH :

Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state :

(a) whether there has been heavy decline in procurement of foodgrains by the Government during the first month of the current financial year ;

(b) if so, the reasons therefor;

(c) the percentage of decline registared in procuring the foodgrains by the Government during the current year as compared to the last year ;

(d) whether the Government have taken any concrete steps to increase the procurement of foodgrains ; and

(e) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI RAGHUVANS PRASAD SINGH) : (a) to (c) The procurement of rice and wheat during the first month of the current financial year 1997-98 i.e. April 1997 is given below :

(in lakh tonnes)

April	Wheat	Rice	Total
1997	17.86	3.85	21.71

There is no decline in the procurement of foodgrains during the current year (1996-97 Kharif Marketing Season in respect of rice and 1997-98 Rabi Marketing Season in respect of wheat) as compared to the last year. To the contrary, there has been a 23% increase and 13% increase in the procurement of rice and wheat respectively.

(d) and (e) Government have taken several steps for increasing the procurement of foodgrains such as: (i) Minimum Support Price of wheat was increased from Rs. 380/- per quintal in 1996-97 to Rs. 415/- per quintal in 1997-98, and an additional bonus of Rs. 60/- per quintal was also allowed raising the procurement price to Rs. 475/- per quintal, (ii) placement of wheat under selective credit control system to help the procurement agencies, (iii) preponement of Rabi Marketing Season by 2 weeks starting from 17.3.1997, (iv) nominating NAFED as procuring agency for Central Pool in Bihar.

In order to encourage collection of more rice through levy in 1996-97 season, the Government announced an increase in the prices of levy rice in the range of 8 to 9% as against the increase of 5 to 5.5% in the MSP of paddy. Besides, no exemption from levy has been allowed to any variety of non-basmati rice meant for export of internal trade, in the 1996-97 season.

[English]

Rehabilitation Scheme for Sick Units

*197. SHRI G. VENKAT SWAMY : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether his Ministry has finalised the rehabilitation scheme for its sick public sector undertakings;

(b) if so, the details thereof; and

(c) the time by when these schemes are proposed to be implemented ?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI M. ARUNACHALAM) : (a) to (c) Details of the rehabilitation schemes of the Central Public Sector Undertakings under the administrative contorl of this Ministry, sanctioned by the Board for Industrial & Financial Reconstruction (BIFR) are as under :

(i) Bengal Chemicals & Pharmaceuticals Ltd. (BCPL)

(ii) Bengal Immunity Ltd. (BIL)

(iii) Smith Stanistreet Pharmaceuticals Ltd. (SSPL)

The rehabilitation schemes in respect of BCPL, BIL and SSPL were sanctioned by the BIFR on 4.4.1995, 3.1.1995 and 31.8.1994, respectively with an implementation period of 10 years beginning from 1994-95. The schemes *inter-alia* envisage higher production, sales, reduction in excess manpower through voluntary retirement scheme (VRS). capital restructuring, fresh financial support from the promoter and bankers, scrifices from the employees and generation of resources through sale/disposal of surplus assets.

Total cost of the sanctioned rehabilitation schemes for BCPL, BIL and SSPL was at Rs. 28.49 crore, Rs. 16.14 crore and Rs. 6.94 crore, respectively.

(iv) Indian Drugs & Pharmaceuticals Ltd. (IDPL)

The rehabilitation scheme for IDPL was aproved by the BIFR on 10.2.94. The package envisaged fresh financial assistance of Rs. 119.94 crore over a three years period beginning from 1993-94, capital restructuring, internal generation of Rs. 23.17 crore during 1994-96 from sale of surplus land/assets for meeting a part of the capital expenditure, product diversification and setting up a power sub-station in Hyderabad unit. The rehabilitation plan also envisaged conversion of the units at Muzaffarpur (Bihar) and Chennai (Tamil Nadu) into wholly owned subsidiaries. In addition, manpower rationalization to prune the surplus manpower and sacrifices from the workers in terms of deferment of wage/salary revision and other benefits were also envisaged. While the financial assistance anvisaged in the rehabilitation plan was provided by the Government alongwith the capital restructuring, IDPL could not achieve the targetted levels of operation resulting in failure of the revival package. The progress in the other areas of the revival package was also unsatistactory. The BIFR has appointed IDBI as the Operating Agency (OA) for a techno economic viability study. The OA has expressed the view that it is not possible to suggest an acceptable and viable plan. The matter relating to the future of IDPL is under consideration of the Government.

(v) Hindustan Antibiotics Ltd. (HAL)

HAL was declared a sick company on 31.3.1997 and its rehabilitation scheme is yet to be finalized by the BIFR.

(vi) Projects & Development India Ltd. (PDIL)

The rehabilitation scheme for PDIL, sanctioned by the BIFR on 1.7.97. envisages restructuring of its capital base and rationalisation/redeployment of manpower. The accumulated interest/penal interest on Government of India (GOI) loans amounting to Rs. 45 crore is to be written off and not-plan loan amounting to Rs. 13 crore is to be converted into 7% non-cumulative preference share capital to be redeemed after seven years. Interest holiday has been provided on all GOI loans for a period of two years w.e.f. 1.4.96, apart from a moratorium of three years on repayment of plan loan. The surplus manpower is to be reduced through VRS. The revival package for PDIL has been put into implementation.

(vii) Hindustan Fertilizer Corporation Ltd. (HFC)

(viii)Fertilizer Corporation of India Ltd. (FCI)

The revival packages for revamp of Barauni, Durgapur and Namrup units of HFC and; Sindri, Ramagundam and Talcher units of FCI have recently been reformulated on the basis of the recommendations of the Expert Group led by the Industrial Credit and Investment Corporation of India Ltd. These revival packages envisage a fresh investment of Rs. 3507 crore (Rs. 869 crore for HFC and Rs. 2638 crore for FCI), apart from other reliefs and concessions to the undertakings. The scope of the revamp in to be determined on considerations of viability and tie up of the funding arrangements.

(ix) Southern Pesticides Corporations Ltd. (SPEC)

SPEC is a subsidiary company of Hindustan Insecticides Ltd. The rehabilitation Scheme sanctioned by the BIFR in respect of SPEC on 10.2.97 provides for setting up an integrated pesticides project. The scheme with an estimated cost of Rs. 7.11 crore includes a provision for making down payments to the Financial Institutions over a period of two years. The Government assistance of Rs. 3 crore has been released to SPEC and the rehabilitation scheme put into implementation.

(x) Hindustan Flurocarbons Ltd. (HFL)

HFL is a subsidary of Hindustan Organic Chemicals Ltd. (HOCL). The rehabilitation scheme for HFL, which was sanctioned by the BIFR on 30.10.1996 with an estimated cost of Rs. 32.89 crore, envisages its merger with HOCL. HOCL has since aproached the Appellate Authority for Industrial & Financial Reconstruction (AAIFR) on the dispute regarding certain tax concessions for the amalgamated company. The implementation of the rehabilitation scheme is contigent upon the decision of the AAIFR.

(xi) Uttar Pradesh Drugs & Pharmaceuticals Ltd. (UPDPL)

UPDPL is a joint sector undertaking promoted by IDPL in collaboration with Pradeshiya Industrial Investment

Corporation of U.P. (PICUP). a UP State Government Undertaking. The rehabilitation scheme for UPDPL, sanctioned by the BIFR on 22.8.95, was challenged before the AAIFR by its bankers. AAIFR set aside the sanctioned scheme, which is now under review with the BIFR.

(xii) Orissa Drugs & Chemicals Ltd. (ODCL)

ODCL is a joint sector undertaking promoted by IDPL in collaboration with Industrial Promotion and Investment Corporation of Orissa Ltd. (IPICOL). an Orissa State Government undertaking. The rehabilitation scheme sanctioned on 18.8.94 was declared as failed by the BIFR in March 1997. As the Operating Agency. IDBI has been asked by the BIFR to prepare a revised scheme.

(xiii) Maharashtra Antibiotics & Pharmaceuticals Ltd. (MAPL)

MAPL is a joint sector undertaking promoted by Hindustan Antibiotics Ltd. in collaboration with State Industrial Investment Corporation of Mahrashtra (SIICOM), a Maharashtra State Government undertaking. The rehabilitation scheme for MAPL, which was declared a sick company on 14.1.1997, is yet to be finalized by the BIFR.

National Research Centre for Orchids by ICAR

*198. SHRI BAJU BAN RIYAN : Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Indian Council of Agricultural Research has established a National Research Centre for the research on Onchids in the country;

(b) if so, the details thereof; and

(c) the efforts made so far to popularise the cultivation of Orchids?

THE MINISTER OF AGRICULTURE (SHRI CHATURANAN MISHRA) : (a) Yes, Sir.

(b) A National Research Centre for Orchids was sanctioned during VIII five year plan with a total budget of Rs. 120.00 lakh with an objective to conduct mission mode research on all aspects of Orchids. It has started functioning from October, 1996 at Pakyong, 35 km. from Gangtok, Sikkim. A total number of 30 posts including 6 scientific, 6 technical, 8 administrative and 10 supporting have been sanctioned. The research on germplasm collection and its evaluation has been initiated. The budget estimate for the current year (1997-98) is Rs. 80 lakhs.

(c) Indian Institute of Horticultural Research, Bangalore is providing regular training to the farmers, students and orchid entreprenuers. The Orchid Society of India established in 1984 is popularising the orchids through organising periodical seminars/meetings. Quality planting material production in orchids is being undertaken by organisations like Tropical Botanic Garden and Research Institute, Trivandrum, IIHR, Bangalore, certain traditional Universities and commercial nurseries.

New Genetic Technology

*199. PROF. P.J. KURIEN : Will the Minister of AGRICULTURE be pleased to state :

(a) whether the Government are aware of the findings of the Tata Energy Research Institute that the aplication of new genetic technology will gradually eliminate the need to use pesticides;

(b) if so, the details there of ;

(c) whether the Government propose to adopt and implement this technology in the country ;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF AGRICULTURE (SHRI CHATURANAN MISHRA) : (a) The Government is aware about the work being done by the scientists of Tata Energy Research Institute with respect to application of new genetic technology in pest management to reduce the use of pesticides.

(b) Their work involves transfer of lectin genes from certain plants into mustard and potato to impart resistance to aphids which are serious pests of these crops. These genetically transformed plants are still at the laboratory stage and have to be tested for their performance in the field.

(c) Yes, Sir.

(d) Intensive efforts are being made in India to implement this technology and adopt it to Indian crops. Scientists at Bose Institute, Calcutta have developed rice carrying a Bt gene for protection against stem borers. National Research Centre on Plant Biotechnology at IARI, New Delhi has developed vegetable crops like brinjal, tomato and cauliflower containing Bt genes. Central Potato Research Institute at Shimla has engineered Potato with Bt gene for resistance against tuber moth. Researchers at National Botanical Research Institute, Lucknow are actively involved in the development of boll-worm resistant cotton. Many other institutes and universities have recently started such programmes in different crops.

ICAR actively encourages and supports research programmes aimed at the development of insect-resistant crops by using biotechnology tools. Institutes of rice, cotton, sorghum, potato etc. have dynamic ongoing programmes to achieve these objectives. ICAR has established a National Research Centre on Plant Biotechnolog at IARI to do research, training and teaching of modern techniques of genetic engineering.

(e) Question does not arise.